BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2001-505-C - ORDER NO. 2002-37

JANUARY 17, 2002

IN RE:	Application of PBT Communications, Inc. for Approval of Alternative Regulation of its Interexchange Business Services and Flexible Regulation of its Local Exchange Services.))))	ORDER GRANTING MODIFIED ALTERNATIVE REGULATION AND GRANTING FLEXIBLE REGULATION
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This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of PBT Communications, Inc. (PBT or the Company) for approval of alternative regulation of its interexchange business services and flexible regulation of its local exchange services. PBT seeks a relaxed form of regulation of its interexchange business services, consumer card services, operator services, and private line service offerings in keeping with the policy and procedures set out in Commission Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. Specifically, the Company requests that certain of its interexchange business service offerings tariffs not be required to indicate maximum rates and that such tariffs be presumed valid upon filing, subject to the Commission's right within seven (7) days to institute an investigation of the tariff filing. Further, PBT requests that the Commission adopt a rate structure incorporating maximum rate levels for its local exchange service offerings with the flexibility for adjustment below the maximum rate levels in keeping with the procedures established for flexible regulation in Order No. 98-165 in Docket No. 97-467-C.

Specifically, PBT requests that its local exchange tariff filings be presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, in which case such tariff filings would be suspended pending further order of the Commission, and that any tariff filings will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

Pursuant to the instructions of the Commission's Executive Director, the matter was published in the Commission's subscription service. No Protests or Petitions to Intervene were received. We will therefore proceed to dispose of the matter summarily.

Both alternative regulation of interexchange business services and flexible regulation of local exchange services have been frequently approved by this Commission to promote competition in the telecommunications industry in South Carolina. The only exception has been our modification of alternative regulation and re-imposition of rate caps with regard to certain "operator-assisted calls" where a consumer uses a local exchange carrier's calling card to complete calls from locations which have not selected that local exchange carrier as their toll provider. See Docket No. 2000-407-C, Order No. 2001-997, dated November 8, 2001, which imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat perminute rate associated with these calls.

Accordingly, with the exception of this type of operator-assisted call, we approve PBT's request for alternative regulation and, also, its request for flexible regulation as filed and as stated above. We believe that the two types of regulation, as modified by

Order No. 2001-997, will continue to promote competition in the telecommunications industry in South Carolina.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

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ATTEST:

Executive Director

(SEAL)